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VIA ELECTRONIC FILING

The Honorable Jocelyn G. Boyd
Chief Clerk/Administrator
Public Service Commission of South Carolina
101 Executive Center Drive, Suite 100
Columbia, South Carolina 29210

**RE: Petition of the Office of Regulatory Staff to Establish Generic
Proceeding Pursuant to the Distributed Energy Resource Program
Act, Act No. 236 of 2014, Ratification No. 241, Senate Bill No. 1189
Docket No. 2014-246-E**

Dear Ms. Boyd:

By Order No. 2015-194 ("Order"), issued in the above-referenced docket, the Public Service Commission of South Carolina ("Commission") approved the Settlement Agreement in that docket and required the utilities, including Duke Energy Progress, LLC ("DEP" or "the Company"), to file reports with the Commission and the South Carolina Office of Regulatory Staff "when the following participation levels are reached to identify and illustrate the costs unrecovered, if any, arising from customer adoption of net metered DER generation through December 31, 2020: (1) 0.5%; (2) 1.0%; (3) 1.5%; and (4) 2.0% of the Utility's previous five-year average South Carolina retail peak demand, as defined by [Act No. 236 of 2014]."

The purpose of this letter is to inform the Commission that DEP has surpassed the 1.0% participation level as of the end of December 2018. The estimated gross generating capacity of the Company's net-metered customer-generators as of December 31, 2018, was approximately 13,467 kilowatts (AC), or 1.0% of the Company's previous five-year average retail peak demand of 26,000 kilowatts.

By copy of this letter and pursuant to the Order, DEP is providing ORS with this report. If you have any questions, please do not hesitate to contact me.

Sincerely,

Rebecca J. Dulin

cc: Service List